

STATE PROPERTIES COMMITTEE MEETING

TUESDAY, MAY 26, 2009

The meeting of the State Properties Committee was called to order at 10.07 a.m. by Chairman Kevin M. Flynn. Other members present were Robert Griffith representing the Rhode Island Department of Administration; Richard Woolley representing the Rhode Island Department of Attorney General; Robert W. Kay and John A. Pagliarini, Jr., Public Members. Others in attendance were Anthony Paolantonio from the Rhode Island House of Representatives; Meredith Pickering from the Rhode Island Senate Fiscal Office; Lisa Primiano and Michelle Sheehan from the Rhode Island Department of Environmental Management; Arn Lisnoff, Marco Schiappa and Michael D. Mitchell from the Rhode Island Department of Administration; Charles Wick, Richard Kalunian and Colleen Kerr from the from the Rhode Island Department of Transportation; Deborah Buffi from the Rhode Island Department of Human Services. Hope Schachter and from the Rhode Island Board of Governors for Higher Education; Nicolas Long from Rhode Island College; Jeff Grybowski from the Stated of Rhode Island Bond Counsel; Donna Martin, Thomas Kane and Gary St. Peter from the Community Provider Network of Rhode Island; and Maureen Gurghigian from First Southwest.

Chairman Flynn noted for the record that the State Properties Committee did have a quorum present.

ITEM A– Department of Administration – A request was made for

approval of and signatures on a Declaration of Trust, the Resolution of State Properties Committee and the Lease Agreement by and between the Rhode Island Board of Regents for Elementary and Secondary Education and Wells Fargo Bank, N.A. relative to the Rhode Island School for the Deaf. Mr. Grybowski stated that the Department is before the Committee today seeking approval of the Resolution of the State Properties Committee. By way of background, Mr. Grybowski stated that the General Assembly has authorized the construction of a new facility for the Rhode Island School for the Deaf. The General Assembly allocated thirty three million dollars for the construction of said facility. Mr. Grybowski explained that the financing for the project will be secured through Certificates of Participation. Mr. Grybowski indicated that this method of financing requires that a trustee enter into a lease agreement to hold the property, and then sublease said property back to the State of Rhode Island. Mr. Grybowski stated that the Department is also seeking the approval of the Board of Regents as the Board has financial control over the Rhode Island School for the Deaf and is responsible for approving capital school construction projects. Therefore, Mr. Grybowski respectfully requested that the State Properties Committee approve and execute the Declaration of Trust, the Resolution of State Properties Committee and the Lease Agreement by and between the Rhode Island Board of Regents for Elementary and Secondary Education and Wells Fargo Bank, N.A. subject to the Rhode Island Board of Regents approval of the same. Mr. Woolley indicated that he had some concerns relative to the

indemnification language contained in the Sublease Agreement; however, he noted that as long as the Department of Administration is aware that under said agreement, the State of Rhode Island is indemnifying Wells Fargo, he has no objection to the same. Mr. Woolley mentioned that as the Leasee, the State of Rhode Island is required to secure insurance coverage. Mr. Woolley strongly advised that the Department closely monitor the securing of said insurance coverage. Mr. Grybowski assured Mr. Woolley that he would follow up with Risk Management to ensure that appropriate insurance coverage is secured. Mr. Pagliarini made a motion to approve subject to the approval of the Board of Regents. Said motion was seconded by Mr. Woolley.

Passed Unanimously

A motion was made to hear Item F out of sequence by Mr. Griffith and seconded by Mr. Pagliarini.

Passed Unanimously

ITEM F – Department of Human Services – A request was made for approval of and signatures on a License Agreement for use of a portion of Ladd School property to hold a vigil from May 31, 2009, through and including June 3, 2009. For the benefit of the Committee, Chairman Flynn illustrated the exact location of the portion of the property upon which the vigil will be held using a large detailed aerial photograph. Mr. Kane explained that his organization is hoping to hold a seventy-two (72) hour vigil to commemorate the fifteenth (15th) anniversary of the closing of the State Institution. Mr. Kane explained that the vigil will provide an opportunity for participants to reflect on

the myriad changes that have taken place over the years in terms of the quality of services available to the developmentally disabled and serve as a reminder to providers that continued improvement is a priority. Mr. Kane stated that the vigil is also a means of honoring the men and women who spent a large portion of their lives at the Ladd Center and then were relocated after its closing, as well as those who actually spent their final days at the facility. That being said, Mr. Kane stated that the vigil will, for the most part, be a silent event, with the exception of a short opening statement explaining its purpose. Attendance will be limited to approximately twenty five (25) individuals within four hour intervals for the duration of the seventy-two (72) hour time period. Ms. Buffi indicated that the administrators of the Veterans Cemetery will be made aware of the vigil and its participants will be very mindful of the proper decorum given the vigil's close proximity to the Veterans Cemetery. Chairman Flynn asked if the required State Police presence has been secured and whether the appropriate insurance coverage has been obtained. Mr. Kane stated that the required \$1 million dollar limited liability insurance coverage has been obtained and the Certificate of Insurance evidencing said policy has been submitted to the Department. However, subsequent to Mr. Kane's conversation with the Department, he was informed by the Rhode Island State Police that they are not available for these types of details. Therefore, Community Provider Network of Rhode Island is prepared to provide whatever level of security is deemed necessary by engaging the services of a private security firm. Ms. Buffi mentioned that perhaps

an arrangement could be worked out with the local police departments. Chairman Flynn recommended that as the Department of Attorney General has not had the opportunity review the License Agreement, any motion to approve shall be subject to its review and approval prior to the commencement date of the vigil. A motion was made to approve subject to the Department of Attorney General's review and approval of the License Agreement by Mr. Griffith and seconded by Mr. Kay.

Passed Unanimously

ITEM B – Board of Governors for Higher Education/Rhode Island College-

A request was made for approval of and signatures on a Communications Facilities License Agreement with Cox Communications to provide service to Metro PCS. Mr. Forte explained that Rhode Island College and Metro PCS entered into a License Agreement to allow a cellular tower to be placed on the New Residence Hall. Under said Agreement, Rhode Island College is required to grant Metro PCS access so that its provider can incorporate its cellular service into the network. Cox Communications is Metro PCS' provider and Cox's equipment is located on Fruit Hill Avenue; unfortunately, Rhode Island College does not presently have a connection to Fruit Hill Avenue. Therefore, Rhode Island College considers the subject License Agreement an ideal opportunity to facilitate service on Fruit Hill Avenue. Mr. Forte indicated that Cox Communication will not charge Rhode Island

College more than one thousand and 00/100 (\$1,000.00) dollars for any and all labor associated with said service and will provide the College with a three inch conduit and two, two inch conduits at no additional cost. Chairman Flynn confirmed that Metro PCS will pay a rental fee to the College for the placement of the cellular tower. Mr. Forte indicated that said rental fee has been assessed at two thousand four hundred and 00/100 (\$2,400.00) dollars per year plus an additional annual escalation fee. After a detailed discussion concerning the terms and conditions of the subject License Agreement, a motion to approve was made by Mr. Pagliarini and seconded by Mr. Woolley.

Passed Unanimously

ITEM C – Department of Environmental Management – A request was made for approval of and signatures on a Deed of Conservation Easement over 72.5 acres of land located along Stony Lane in the Town of Exeter; known as the Talbot Property. Ms. Sheehan stated that on May 12, 2009, the State Properties Committee approved and executed the Purchase and Sale Agreement relative to the subject property. Ms. Sheehan presented a map illustrating the site for the Committee's review. Ms. Sheehan indicated that the acquisition of the subject Conservation Easement will be funded through Federal Highway Enhancement Funds. The Nature Conservancy will hold the fee and the Department will hold the Conservation Easement. A motion was made to approve by Mr. Pagliarini and seconded by Mr. Griffith.

Passed Unanimously

ITEM D – Department of Environmental Management – A request was made for authorization to progress with a competitive public bid process concerning 15,000 square feet of surplus property located on First Street between Fort Street and Quarry Street in the City of East Providence. Ms. Primiano stated that the Department wishes to provide the Committee with updated information regarding the subject property since the Committee’s approval of the Department’s request to work together with Rhode Island Housing to transfer said property for affordable housing with the possible dedication of one parcel to Habitat for Humanity. Ms. Primiano explained that as the subject property was a former maintenance garage site, Rhode Island Housing was concerned about the potential for existing contamination. Although the Department has no evidence or records regarding contamination, Rhode Island Housing felt it was necessary to proceed with both a Phase I and Phase II site investigation. Ms. Primiano indicated that Rhode Island Housing is concerned that if contamination issues are discovered during the course of said investigations and they opt to abandon the project, the funds expended for the site investigations will have been for naught. Therefore, Rhode Island Housing requested that the Department reimburse the site investigations expenses in the event Rhode Island Housing abandoned the project. Ms. Primiano indicated that the Department does not have funds set aside for the reimbursement of said expenses and attempted to accommodate Rhode Island Housing by lowering the purchase price of the property from \$100,000 to

\$40,000. Ms. Primiano indicated that Rhode Island Housing declined said offer and the parties were unable to reach an alternative resolution. Therefore, at this time, the Department wishes to proceed with a public bidding process concerning the subject property after it has been offered to the City of East Providence and declined. Mr. Pagliarini asked if the Department has determined what the legal use of the property is. Ms. Primiano indicated that the property meets the requirements necessary to construct three (3) one or two family homes under the City of East Providence's zoning laws. A motion was made by Mr. Kay and seconded by Mr. Griffith.

Passed Unanimously

ITEM E – Department of Transportation – A request was made for approval of and signatures on a Permanent Loop Detector Easement Agreement by and between Puget of Texas, Inc./Walgreens Stores and the Department of Transportation for the installation and maintenance of inductance loops in pavement located at 533 Elmwood Avenue in the City of Providence. Mr. Pagliarini stated for the record that although the address of the subject property seems vaguely familiar to him, he believes he can participate in any discussion and/or vote fairly and objectively. Ms. Kerr indicated that the Permanent Loop Detector Easement Agreements is a requirement for the construction of a Walgreens Store. A motion to approve was made by Mr. Woolley and seconded by Mr. Kay.

Passed Unanimously

The Committee moves to go into Executive Session, pursuant to Rhode Island General Law 42-46-5(a)(5) for the specific purpose of discussion or consideration related to the acquisition or lease of real property for public purpose, or of the disposition of publicly held property wherein advanced public information would be detrimental to the interest of the public.

A motion was made to enter into Executive Session by Mr. Griffith and seconded by Mr. Kay. A roll call vote was taken and the votes were as follows: Mr. Griffith voted “Aye”, Mr. Pagliarini voted “Aye”, Mr. Woolley voted “Aye” and Chairman Flynn voted “Aye”.

The State Properties Committee closed the Executive Session and returned to

the open session of the meeting at 11:14 a.m.

ITEM E1 – Department of Transportation – A request was made for approval to lease parking spaces to Anthony Izzo as part of a tentative agreement to settle litigation in which the Department of Transportation is a defendant. After discussion in executive session, a motion to approve was made by Mr. Griffith and seconded by Mr. Kay. The motion passed with three (3) votes “Aye” and two (2) votes “Nay.”

Three (3) votes “Aye”

Mr. Kay

Mr. Griffith

Chairman Flynn

Two (2) votes “Nay”

Mr. Pagliarini

Mr. Woolley

There being no further business to come before the State Properties Committee, the meeting was adjourned at 11: 15 a.m. A motion was made to adjourn by Mr. Pagliarini and seconded by Mr. Woolley. Passed Unanimously

Holly H. Rhodes, Executive Secretary